

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF NORTH CAROLINA  
WESTERN DIVISION  
No. 5:19-CV-00430-BO

U.S. TOBACCO COOPERATIVE, INC., )

v. )

CERTAIN UNDERWRITERS AT )  
LLOYD'S SUBSCRIBING TO POLICY )  
NUMBERS B1353DC1703690000 AND )  
B1353DC1602041000 )

**DECLARATION OF  
ADAM SMITH**

Adam Smith, on oath, declares as follows:

1. I am a Senior Claims Adjuster at RiverStone Managing Agency Limited representing Syndicate 3210 at Lloyd's of London (**RiverStone**). I have been in this position for two and half years and have worked in the insurance market for twenty years.

2. Syndicate 3210 is a lead insurer on the policy for the 2016 year of account (policy number B1353DC1602041000). RiverStone shares claims handling responsibility with Aegis (Lloyd's Syndicate 1225), who lead the risk.

3. Insurers instructed James Saville of Hill Rivkins of New York to act for us in this litigation.

4. I assumed that Hill Rivkins would represent and protect all of the insurers' interests in this litigation, but we have recently become very concerned about the level of service from Mr Saville.

5. With my agreement, Aegis contacted Patrick Foss of Kennedys Law LLP in London and asked him for the contact details of a partner in Kennedys New York

office. At that stage, we all just wanted confirmation that Hill Rivkins were managing the US proceedings properly.

6. I understand that Aegis then got in touch with Mr. Tricarico in Kennedys' New York office. Mr. Tricarico proceeded to make some investigations, including searches on the court docket. Mr. Tricarico then provided us with the following documents on and after June 18, 2021:

- (a) The Motion for Sanctions and Memorandum of Law in Support dated May 24, 2021.
- (b) The transcript from the hearing before Magistrate Judge, Robert T. Numbers, II that took place on May 3, 2021.
- (c) The order issued by Magistrate Numbers on April 9, 2021.

7. I had never seen any of these documents before. I did not know that there were any motions pending against insurers, let alone a motion seeking sanctions against insurers.

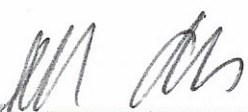
8. After assessing the information provided by Mr. Tricarico, we (Aegis, MS Amlin and RiverStone) decided to officially dis-instruct Hill Rivkins on June 21, 2021. We then instructed Kennedys and asked Kennedys to contact insurers' local counsel (who the insurers have not dealt with during these proceedings), the insured's counsel, and the Court.

9. I wholeheartedly apologize to all of the parties involved for the total lack of communication from Mr. Saville. We have been completely let down by Mr. Saville and Hill Rivkins. As a result, we (Aegis, MS Amlin and RiverStone) have asked Kennedys in London and in New York to advise insurers on the next steps and all that is required from the insurers to comply with the Court's orders.

10. We appreciate the Court's patience regarding these exceptional and unfortunate circumstances.

11. I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 23, 2021.

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ADAM SMITH